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Senator Randy Richardville
Senate Government Operations
S-106 Capitol Building
P.O. Box 30036
Lansing, MI 48909-7536

Dear Senator Richardville,

I am writing today as both a taxpayer and the Treasurer of Brighton Township, about the legislation currently in the House Labor Committee amending PA 312, SB 397. While I appreciate and agree that reform is necessary, the reforms must improve the situation. Change for the sake of change does no one any good.

Coleman Young, who had a very long and active public life, described Public Act 312 as the biggest legislative mistake of his career. Some of the proposed changes are good, but there are two glaring problems that absolutely need to be addressed. 1) Expanding already bad legislation to Authorities makes no sense, and will result in fewer police and firefighters at an increased cost. 2) The ability of the municipality to pay needs to be the primary consideration in the arbitration process, regardless of whether or not it is expanded (not just listed first in the document).

My Township works very hard to provide the services we do at the lowest cost to the taxpayers possible. We work diligently to make sure that taxpayer money is only spent if it absolutely needs to be. Our residents have expressed to us how important it is to them, that we manage their money well. PA 312 imposes additional costs, determined by a 3rd party who has no accountability to the taxpayers or the administration. It takes the ability to manage our Fire Authority budget away from the Fire Authority Board, most of which are elected officials and thus answer to their residents in a very real way.

To expand 312's reach to Fire Authorities is irrational. The financial impact of such a decision amounts to a tax increase for all of the residents they serve. Page 31 of The Task Force on Local Government Services and Fiscal Stability Final Report to the Governor May 2006 states that binding arbitration results in an increase of up to 5% in the costs of doing business. Increasing the scope of bad legislation, especially when 1) we've lost so much revenue to decreased property values and 2) when the state is no

longer sending the revenue sharing funds that were promised when that process was instituted. We have already stretched our dollars as far as they can go.

- Public Act 312 of 1969, the law regulating binding arbitration for contract negotiations in police and fire unions, results in a hidden tax. As costs are increased, the budget still has to be balanced, **through increased taxes or by laying off employees (firefighters and policemen)**, resulting in fewer first responder jobs and thus affecting the safety of our community.
- The bill expands 312, to authorities and **ANY mutual aid agreement for police, fire and EMT's**, though a token effort has been made since the last bill to exclude parks and campus police. If it were a good bill, such exclusions would be unnecessary. Livingston County has four such Fire Authorities, creating a huge resulting impact to the cost of these services for our community.
- PA 312 forces local governments into binding arbitration with police officers and fire fighters, giving the power to determine the cost (salary and benefits, the major cost of both police and fire) to an unelected, unaccountable 3rd party. **The taxpayers do not have priority in these proceedings. During binding arbitration, they don't even have a seat at this table.**
- The Senate Bill **does not** seek to make the taxpayers interest first. The ability of the local government to pay is not the determining factor in PA 312 Arbitration despite the economy today and despite all of the loss of revenue of local government and all of us as taxpayers. Moving the words around on the bill does not change the situation. There is no language in this bill setting up prioritization or the requirement to consider affordability before anything else can be considered.
- **PA 312 is a hidden tax on all of us.** PA 312 reform, done properly, would take into account the taxpayers interest, not just that of the labor union leadership. If you cannot do good, at least do no harm. This bill necessitates layoffs and tax increases, and harms taxpayers and the very groups – police and fire fighters – you desire to help.